

MAGNOLIA

# Interim report 1 January – 30 June 2021





# January – June 2021

- Continued expansion of the building rights portfolio, now around 25,300 potential building rights including acquisitions in July  
Acquired land January-June 2 770 potential building rights, of which about 1,300 acquired during April-June, and about 100 potential building rights in July
- Large portion of potential building rights with zoning plans in force: about 90 % of the acquisitions during the first six months have zoning plans in force.
- Continued strong market for tenant-owned apartments also remained good  
During the quarter, we started selling 73 apartments in the tenant-owned apartment project Linnefabriken in Göteborg
- Received Nasdaq Green Equity Designation, which is a green marking of the company's shares on Nasdaq's main list

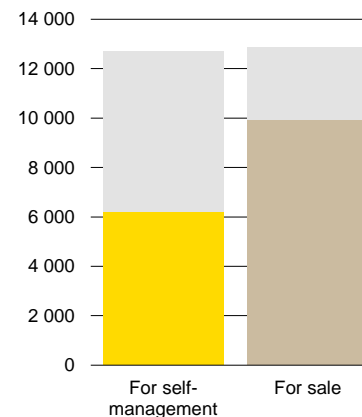




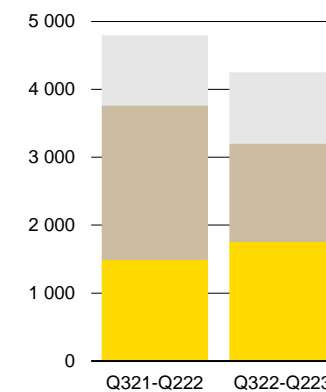
# Good speed in the processing of building rights, 30 June 2021

- Building rights portfolio: 25 273 units
  - about 50 % for self-management
  - about 50 % for sale
  - about 30 % has zoning plans in force
- Estimated production start at good levels and in line with our long-term goals
- When housing is completed, we get a positive liquidity impact that is used, among other things, for development activities

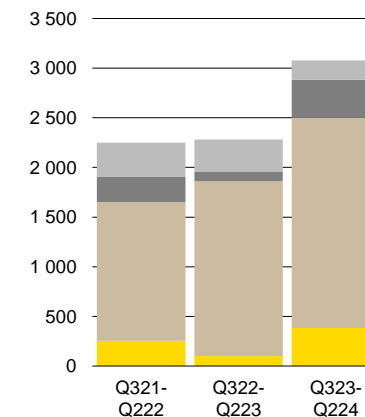
**Building rights portfolio\***  
No. of building rights



**Production starts\***  
No. of units



**Completed projects**



- Other JV-partners and the expected minority ownership
- Other JV-partners and the minority ownership in residential units sold
- Other JV-partners and the minority ownership in properties for self-management
- Magnolia Bostad's direct and indirect share of the profit in projects for sale
- Magnolia Bostad's direct and indirect ownership in projects and residential units for self-management

\* Estimated ownership of residential units for self-management, and expected share of the profit in projects for sale



# Business goals and follow-up

## In self-management before the end of 2025\*

- at least 4,000 completed residential units  
or alternatively have investment properties with a market value > SEK 8 billion

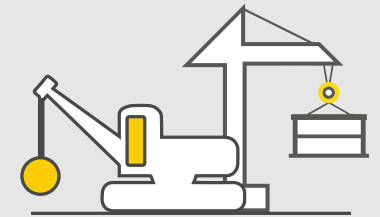
Follow-up 30 June 2021:

- possession of two completed properties with 68 residential units with a market value of SEK 229 m
- nine properties are in production where Magnolia Bostad's share of the estimated property value upon completion amounts to SEK 2,088 m

## Production started residential units

- at least 3,000 residential, seen as an average over a business cycle

Follow-up 1 July 2020 - 30 June 2021 (rolling twelve-month period):  
1,706 residential units were production-started



\* This refers to Magnolia Bostad's own ownership and the company's ownership interest in JVs



# Results

## April-June

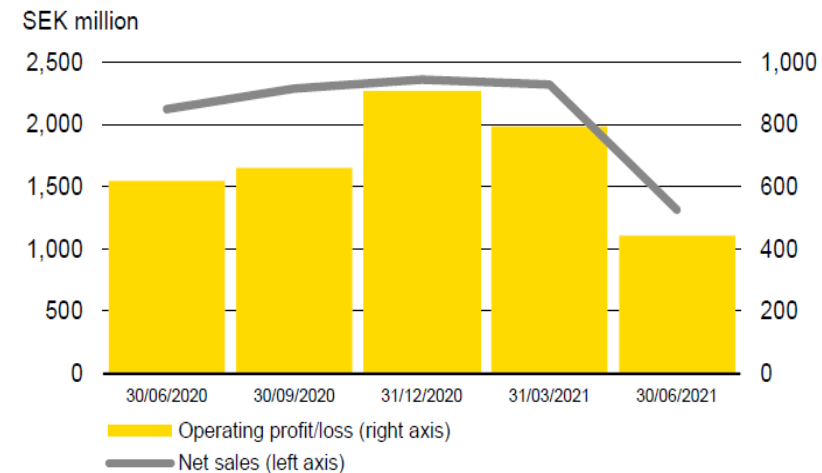
- Operating profit/loss SEK -2 m (+348)
- Net profit/loss for the period SEK -55 m (+324)
- Inga sales of projects

## Januari-June

- Operating profit/loss SEK -27 m (+437)
- Net profit/loss for the period SEK -127 m (+366)
- No sales of rental accommodation projects
- 77 sold residencies during the period

**Irregular sales between quarters,  
the results should be assessed over a longer period of time**

Net sales & operating profit/loss, rolling 12-months





# Financial key figures

- **Equity/asset ratio lower due to investments in the building rights portfolio**  
per 30 June: 28.1 % (32.7 per 31 Dec 2020)  
Goal, at least: 30.0 %
- SEK 930 m in **interest-bearing net liabilities** after deductions for receivables from buyers  
Receivables from buyers amounted to SEK 1,405 m (1,627) of which SEK 526 m is expected to be received within 12 months
- **Lower cash flow from the operating activities due to investments in the project portfolio**  
January - June: SEK -302 m (-33 Jan–Jun 2020)  
April – June: SEK -130 m (-86 Apr–Jun 2020)
- **Cash and cash equivalents**  
per 30 June: SEK 279 m (277 per 31 Dec 2020)



# Properties for self-management

- The majority of projects developed for self-management will be developed in JVs. All projects during production today are run in JV collaborations
- Future earning capacity through ongoing cash flow will bring long-term stability to the company's finances
- All properties are valued through internal valuation at the end of each quarterly report. At least once a year, an external valuation takes place to validate the internal valuations for all properties that are not valued at acquisition cost or at fair value, based on a signed sales agreement. Actual value according to IAS40.



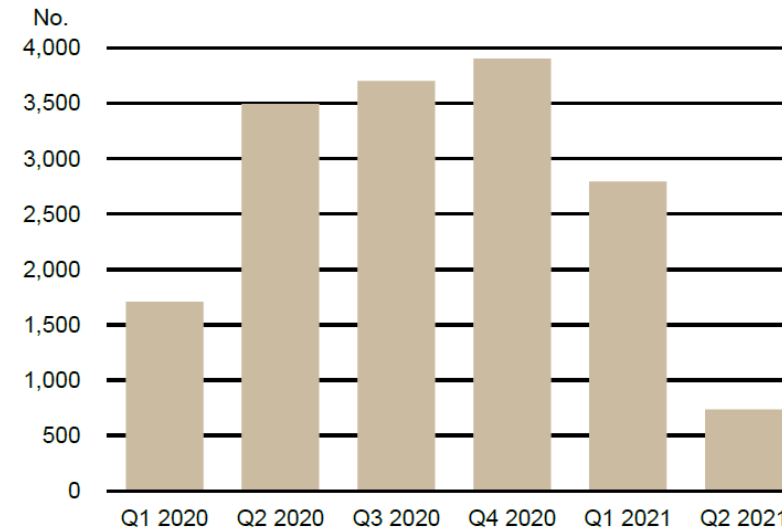
	Estimated no. of apartments	Rentable space upon completion (sqm)	Estimated value upon completion (SEK m)	Estimated annual rental value upon completion (SEK m)	Estimated completion of projects (year)
Properties in self-management, completed	68	9,300	229	14	Completed
Properties in self-management, in production	1,882	90,150	4,177	194	2021-2025
Properties in self-management, not in production	12,714	711,578	34,534	1,601	
Total	14,664	811,028	38,940	1,810	
Magnolia Bostad's expected share of upon completion	7,366	410,164	19,585	911	



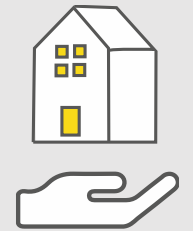
# Projects for sale

- In the building rights portfolio, 12,559 building rights are being developed for sale, 35 % of these have existing zoning plans in force
- During the second quarter the building rights portfolio was strengthened, and 1,074 assessed building rights were acquired for development for sale
- 930 of the acquired building rights have existing zoning plans in force corresponding to 87 %
- Magnolia Bostad aims to achieve a margin of at least 10 % for all projects developed for sale

**Sold residential units**  
Rolling 12 months



About  
4 400 assessed  
building rights  
with existing  
zoning plans in  
force



*\* This refers to Magnolia Bostad's own ownership and the company's ownership interest in JVs*



# Forward

- Continued good demand from our customers
- Focus on acquisitions and production starts, we expect that before the end of the year we will be able to present our customers with a number of attractive projects
- Continued development of our work, including
  - participation in collaborations for climate neutrality, LFM30
  - climate measurement of our own operations and significant impact via contractors
  - preparations for the Climate Declaration Act for new buildings, that is expected to enter into force in January 2022





# Q&A





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